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July 5, 2018
Via ECFS Filing

Secretary, Federal Communications Commission
Washington, DC 20554
ATTN: Wireline Competition Bureau

RE: Joint Domestic and International Section 214 Application for Transfer of Control of PacOptic Networks, LLC to 385 Inc.

Dear Secretary,

Enclosed for filing please find the original Joint Domestic and International Section 214 Application for Transfer of Control of PacOptic Networks, LLC to 385 Inc. This application has also been submitted to the International Bureau.

Any questions you may have regarding this filing should be directed to my attention at 407-740-3005 or via email to swarren@inteserra.com. Thank you for your assistance in this matter.

Sincerely,

/s/ Sharon R. Warren

Sharon R. Warren
Consultant

cc: Shawn Matthews – PacOptic
Stevin Dahl – 385
Joseph Bowser

SW/mp

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Application of)	
)	
Shawn Matthews)	
Transferor)	WC Docket No. 18-_____
)	
385 Inc.)	
Transferee)	File No. ITC-T/C-_____
)	
For Consent to the Transfer of Control of)	
PacOptic Networks, LLC Pursuant to)	
Section 214 of the Communications Act)	
of 1934, as Amended)	

JOINT DOMESTIC AND INTERNATIONAL SECTION 214 APPLICATION

I. INTRODUCTION

Pursuant to Section 214 of the Communications Act of 1934, as amended,¹ and Sections 63.03, 63.04, 63.12, and 63.24 of the Commission's Rules,² Applicants Shawn Matthews ("Mr. Matthews" or "Transferor") and 385 Inc. ("385" or "Transferee") hereby jointly request Commission authorization for the transfer of control of PacOptic Networks, LLC ("PacOptic") from Mr. Matthews to 385, which is wholly owned by Mr. Stevin Dahl ("Mr. Dahl"), a U.S. citizen.

II. REQUEST FOR STREAMLINED PROCESSING

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 and 63.12 of the Commission's Rules.³ This Application is eligible

¹ 47 U.S.C. § 214.

² 47 C.F.R. §§ 63.03, 63.04, 63.12, and 63.24.

³ 47 C.F.R. § 63.03, 63.12.

for streamlined processing pursuant to Section 63.03(b)(1)(ii) because neither Transferee nor Mr. Dahl is a telecommunications provider.⁴ This application is also eligible for streamlined processing under Section 63.03(b)(2) because: (1) the transaction will not result in Transferee having a market share in the interstate interexchange market in excess of ten percent;⁵ (2) Transferee will provide competitive telephone exchange services and exchange access services through PacOptic exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) PacOptic is not regulated as dominant with respect to any service.⁶

The Applicants also seek streamlined processing of this request for consent to transfer control of PacOptic's international Section 214 authorization pursuant to Section 63.12. The Application qualifies for streamlined processing because (1) Applicants are not affiliated with any foreign carrier in any destination market; (2) Applicants are not affiliated with any U.S. carriers whose international switched or private line services the Applicants seek authority to resell; and (3) the Applicants do not seek authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines.⁷

III. DESCRIPTION OF THE APPLICANTS

A. Authorization Holder, PacOptic Networks, LLC

PacOptic is a Virginia limited liability company that holds blanket domestic Section 214 authority (FRN 0024737934) and international Section 214 authority granted in FCC File No.

⁴ 47 C.F.R. § 63.03(b)(1)(ii).

⁵ PacOptic currently has less than a ten percent (10%) market share in the telecommunications market, and the market share will not change as a result of the change in control.

⁶ 47 C.F.R. § 63.03(b)(2)(i).

⁷ 47 C.F.R. § 63.12.

ITC-214-20160107-00012 to provide facilities-based service and resale service in accordance with sections 63.1(e)(1) and 63.18(e)(2) of the Commission's rules.⁸ PacOptic is licensed to provide competitive telephone exchange services and exchange access services as a competitive local exchange carrier ("CLEC") in Colorado, Florida, Georgia, and Massachusetts. To date, PacOptic's market focus has been on the business and carrier-customer markets. It is currently providing service to such customers in Massachusetts and Colorado, and is building out its network in Georgia and Florida. 385 and Mr. Dahl will continue to pursue additional competitive opportunities to grow PacOptic.

B. Transferor

Mr. Matthews, a United States citizen, is the sole member and owner of PacOptic.

C. Transferee

385 is a holding company that Mr. Dahl, a United States citizen, created to facilitate his proposed acquisition of PacOptic. Mr. Dahl has over ten years of experience in the operational and regulatory aspects of managing several local exchange carriers, an interconnected VoIP provider, and other entities in the communications industry.

IV. DESCRIPTION OF THE TRANSACTION

On June 29, 2018, Mr. Matthews and 385 Inc., via Mr. Dahl, entered into an agreement pursuant to which 385 will acquire Mr. Matthews's 100% membership interest in PacOptic. The proposed transaction involves the sale by Mr. Matthews of all the limited liability company's membership units to 385, a holding company wholly owned by Mr. Dahl. After completion of the transaction, 385 will be the sole member and owner of PacOptic, and Mr. Dahl, via his sole ownership of 385, will have full control of its assets and operations, including its Section 214

⁸ 47 C.F.R. §§ 63.18(e)(1), (e)(2).

authorizations. **Exhibit A** hereto depicts the current and post-closing structures of the proposed transaction.

V. PUBLIC INTEREST STATEMENT

Pursuant to Section 214 of the Act, the Commission will approve a proposed transfer of control of an authorization if it concludes that, after balancing the potential benefits and harms, doing so would serve the public interest, convenience, and necessity.⁹ Approval of this Application is in the public interest because it will assure the continued management and growth of PacOptic under Mr. Dahl, who has significant experience operating other regulated carriers, including competitive local exchange carriers, interconnected VoIP providers, and other communications platform providers. Furthermore, there will be no interruption of service to PacOptic's end users and wholesale customers as the day-to-day management of PacOptic will transition to personnel who also have the technical and operational capability and support to serve the company's local exchange and exchange access customers. Thus, grant of this Application will allow for the continued and expanded provision of high-quality telecommunications services to PacOptic's wholesale and business customers, and will facilitate PacOptic's growth—and increased competition in PacOptic's markets—going forward. The transaction also raises no competitive issues.

VI. INFORMATION REQUIRED BY SECTION 63.24 OF THE COMMISSION'S RULES

In accordance with Section 63.24(e)(2) of the Commission's rules, the Applicants submit the following information requested in Section 63.18(a)-(d) and (h)-(p):

(a) Name, address, and telephone number of each applicant:

⁹ 47 U.S.C. § 214.

Authorization Holder:

PacOptic Networks, LLC
20130 Lakeview Center Plaza
Suite 400
Ashburn, Virginia 20147
Telephone: (888) 722-8188

Transferor:

Shawn Matthews
19448 Mill Dam Place
Leesburg, Virginia 20176
Telephone: (888) 722-8188

Transferee:

385 Inc.
c/o Stevin Dahl, President
3816 Ingersoll Avenue
Des Moines, Iowa 50312
Telephone: (800) 554-5651

(b) Government, state, or territory under the laws of which each corporate or partnership applicant is organized:

PacOptic is a limited liability company organized under the laws of the Commonwealth of Virginia. 385 is a corporation organized under the laws of the State of Iowa.

(c) Correspondence concerning this application should be addressed to:

Transferor:

Shawn Matthews, Member
19448 Mill Dam Place
Leesburg, Virginia 20176
(888) 722-8188

Transferee:

Stevin Dahl
385 Inc.
3816 Ingersoll Avenue
Des Moines, Iowa 50312
(800) 554-5651

With a copy to Counsel for the Applicants:

Joseph P. Bowser
Roth Jackson Gibbons Condlin, PLC
11 S. 12th Street, Suite 500

Richmond, Virginia 23219
Telephone: (804) 441-8701
Facsimile: (804) 441-8438
jbowser@rothjackson.com

(d) Existing Section 214 authority:

Mr. Matthews does not hold any Section 214 authority in his individual capacity, but PacOptic holds international Section 214 authority granted in FCC File No. ITC-214-20160107-00012 to provide facilities-based service and resale service in accordance with sections 63.1(e)(1) and 63.18(e)(2) of the Commission's rules.¹⁰

Neither 385 nor Mr. Dahl hold any Section 214 authority.

(h) Name, address, citizenship, and principal business of any person or entity that directly owns ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities:

Before the Proposed Transaction:

The name, address, citizenship, and principal business of the sole person that currently owns or controls at least ten (10) percent of the equity interest of PacOptic prior to the proposed transaction is:

<u>Name & Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Shawn Matthews 19448 Mill Dam Place Leesburg, Virginia 20176	100%	U.S.A.	Telecommunications

There are no interlocking directorates with a foreign carrier.

After the Proposed Transaction:

The name, address, citizenship, and principal business of the sole entity that will directly own or control at least ten (10) percent of the equity of PacOptic after the proposed transaction is as follows:

¹⁰ 47 C.F.R. §§ 63.18(e)(1), (e)(2).

<u>Name & Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
385 Inc. 3816 Ingersoll Avenue Des Moines, Iowa 50312	100%	Iowa, U.S.A.	Investment management

385 has no interlocking directorates with a foreign carrier.

The name, address, citizenship, and principal business of the sole person that will indirectly (via his ownership of 385 Inc.) own or control at least ten (10) percent of the equity of PacOptic after the proposed transaction is as follows:

<u>Name & Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Stevin Dahl President, 385 Inc. 3816 Ingersoll Avenue Des Moines, Iowa 50312	100%	U.S.A.	Telecommunications

There are no interlocking directorates with a foreign carrier.

Foreign carrier certification:

PacOptic, Mr. Matthews, and 385 certify that they are not a foreign carrier and are not affiliated with any foreign carrier.

(i) Destination country certification:

385, as Transferee, certifies that it does not seek to provide international telecommunications service to any destination country where: (1) 385 is a foreign carrier in that country; (2) 385 controls a foreign carrier in that country; (3) any entity that owns more than a 25% interest in 385, or controls 385, controls a foreign carrier in that country; or (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25% of 385 and are parties to, or the beneficiaries of, a contractual relation that affects that provision or marketing of international basic telecommunications services in the United States.

(j) Demonstration regarding market power for countries that are not WTO members:

This provision is inapplicable to 385 in light of its certification in the immediately preceding subsection, 47 C.F.R. § 63.18(j).

(k) This requirement has been deleted from the rules.

(l) Regulation as a non-dominant provider:

In light of 385's Subsection 63.18(i) certification that it is not a foreign carrier or affiliated with a foreign carrier, this provision is inapplicable to 385.

(m) Special concessions from foreign carriers:

Each of the Applicants certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into any such agreements in the future.

(n) Certification pursuant to 47 C.F.R. §§1.2001 through 1.2003 that no party to the application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988:

Each of the Applicants hereby certify, pursuant to 47 C.F.R. §§ 1.2001 through 1.2003, that no party to the present application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

(o) Statement regarding streamlined processing:

Applicants' request for streamlined processing is reflected in Section II, above.

VII. INFORMATION REQUIRED UNDER SECTION 63.04 OF THE COMMISSION'S RULES

In accordance with the requirements of Section 63.04(b) of the Commission's Rules for joint domestic/international Section 214 applications,¹¹ the Applicant submits the following information described in Section 63.04(a)(6) through (a)(12):

¹¹ 47 C.F.R. § 63.04(b).

(6) Description of the transaction:

The proposed transaction is described in Section IV, above.

(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

The respective services and operating areas (if any) of PacOptic, Mr. Matthews and 385 are described above in Section III.

(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:

This Application is eligible for streamlined processing pursuant to Section 63.03(b)(1)(ii) because Transferee, 385, is not a telecommunications provider.¹² Additionally, this application is eligible for streamlined processing under Section 63.03(b)(2)(i) because: (1) the transaction will not result in Transferee having a market share in the interstate interexchange market in excess of ten percent;¹³ (2) Transferee will provide competitive telephone exchange services and exchange access services through PacOptic exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) PacOptic is not regulated as dominant with respect to any service.¹⁴

(9) Identification of all other Commission applications related to the same transaction:

There are no other Commission applications related to this proposed transaction.

(10) Statement of whether the Applicant is requesting special consideration because either party to the transaction is facing imminent business failure:

¹² 47 C.F.R. § 63.03(b)(1)(ii).

¹³ PacOptic currently has less than a ten percent (10%) market share in the telecommunications market, and the market share will not change as a result of the change in control.

¹⁴ 47 C.F.R. § 63.03(b)(2)(i).

No party to the transaction is requesting special consideration because it is facing imminent business failure.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:

No separately filed waivers or waiver requests are being sought in conjunction with the proposed transaction.

(12) Statement showing how grant of the Application will serve the public interest, convenience, and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:

Please see Section V, *supra*.

VIII. CONCLUSION

In light of the foregoing facts and public interest considerations, the Commission is respectfully requested to authorize the transfer of control of PacOptic Networks, LLC from Shawn Matthews to 385 Inc. The Applicants respectfully request that the Commission grant the Application as expeditiously as possible pursuant to its streamlined operating procedures.

Dated: July 3, 2018

Respectfully submitted,

/s/


Joseph P. Bowser
Roth Jackson Gibbons Condlin, PLC
11 S. 12th Street, Suite 500
Richmond, Virginia 23219
Telephone: (804) 441-8701
Facsimile: (804) 441-8438
jbowser@rothjackson.com

Counsel for the Applicants

VERIFICATION

I, Shawn Matthews, state that I am the sole member of PacOptic Networks, LLC; that I am authorized to make this Verification on behalf of PacOptic Networks, LLC; that the foregoing filing was prepared under my direction and supervision; and that the contents of the filing and the certifications contained therein are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 3rd day of July, 2018.

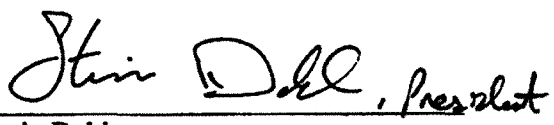


Shawn Matthews
Member, PacOptic Networks, LLC

VERIFICATION

I, Stevin Dahl, state that I am the sole shareholder and President of 385 Inc.; that I am authorized to make this Verification on behalf of 385 Inc.; that the foregoing filing was prepared under my direction and supervision; and that the contents of the filing and the certifications contained therein are true and correct to the best of my knowledge, information, and belief.

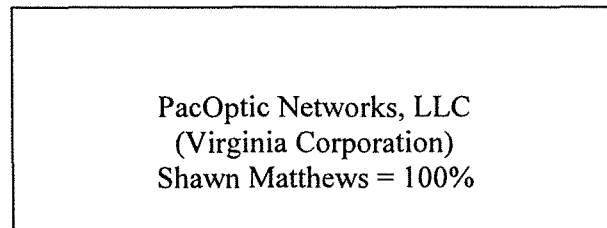
I declare under penalty of perjury that the foregoing is true and correct. Executed this 3rd day of July, 2018.



Stevin Dahl
President, 385 Inc.

EXHIBIT A

PRE-ORGANIZATION CHART



POST-ORGANIZATION CHART

